

DEPARTMENT OF BENEFIT PAYMENTS

744 P Street, Sacramento, CA 95814



July 22, 1975

ALL-COUNTY LETTER NO. 75-150

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: MODEL MODULAR COUNTY WELFARE EDP SYSTEM

REFERENCE:

The purpose of this letter is to familiarize you with the Model Modular County Welfare EDP System Project, particularly as it affects County Welfare Departments now and in the immediate future.

The Model System Project was initiated in response to long-standing concerns regarding the way in which data processing technology was being applied to the management of welfare programs in California. From the perspective of state-wide program management, EDP technology has been relatively expensive, since it has been developed on a county-by-county basis, which has resulted in redundant costs. At the same time, current welfare EDP applications do not satisfy program needs. No county has a comprehensive welfare EDP system and counties are continuing to develop and enhance welfare EDP systems. It also was apparent that, while the use of EDP in welfare programs would continue to grow, the present process of individual county development would be slow and increasingly expensive.

The alternative to this uncoordinated and incomplete growth in the use of EDP Technology is the development of a uniform, state-wide welfare EDP system. It has been recognized from the outset that to attain this will require the support of California's counties, the Legislature, and the Department of Health, Education, and Welfare. The initial step in the development of this system, therefore, was the creation of the Model Modular County Welfare EDP System Task Force, which comprised a number of state and county welfare and data processing staff, a representative from the DHEW Regional Office, and representatives from the Intergovernmental Board on EDP, the Department of Finance, the Legislative Analyst's Office, the State Department of Health, and the Health and Welfare Agency. The first Task Force meeting was held May 6, 1974.

As the Task Force title indicates, the original system concept was a state-maintained model system which could be used by counties on existing equipment and in concert with existing county programs. The intent in developing the

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model modular system was to start with the best components of existing county systems, so that some of the sunk costs of previous development work could be recovered. The primary tasks of the Task Force, therefore, became:

- Identifying state and county requirements for the system
- Identifying existing, developmental, planned and desired county welfare EDP systems
- Evaluating the significant county EDP systems.

The primary product of the Task Force to date is the County Evaluation Final Report, which was completed April 25, 1975. This valuable report clearly identifies the strengths and weaknesses of individual systems and systems components in relation to specific welfare EDP functions, and provides a comprehensive overview of the state of EDP utilization in welfare programs in California today. It also makes clear that existing systems would require extensive developmental work to be made modularized and transferable, and to meet statewide user requirements.

During the last months of Fiscal Year 1974-75, this Department also developed and presented a proposal for inclusion in its FY 1975-76 budget of slightly more than \$1 million (state and federal funds) for the initial systems design effort. The necessary state funds are provided in the state's budget for this Fiscal Year, and we have been assured of federal financial participation. Expenditure of these funds is contingent primarily on the approval of a feasibility study by the State Department of Finance and certain other provisions such as continuation of the moratorium on county EDP systems development. The feasibility study is the next major milestone in the progress of this project, and all the efforts of the Model Systems Project staff are directed toward completion of this study by mid-November.

Throughout the past year, in all aspects of the Task Force activities, we have received very tangible and important participation and support from counties. Many counties have responded generously through participation in the Task Force, various subcommittees, the evaluation of county EDP systems, and an evaluation of systems in several other states. The level of state and county cooperation in this project has been outstandingly high, and I am confident that this will continue. It is vital that we continue to benefit from the expert knowledge of county welfare program and data processing staff, and during the coming months we shall ask again for county staff to work with us.

During the next six months, the Model System Project staff will be involved in two major efforts; a System Definition Document and a Cost Study. The System Document (SDD) will define the user requirements for the model system and will describe a number of technical EDP alternatives and administrative structures to support those requirements. Each alternative then will be evaluated on the basis of the user requirements to determine its technical and administrative feasibility. The Cost Study will establish unit costs for existing manual and automated welfare processes in a variety of administrative settings. The data and analyses resulting from these two studies will be consolidated in a comprehensive feasibility study which will recommend the uniform system which best

satisfies user requirements, technical, administrative, and cost considerations. Active county assistance and participation in both the SDD and the Cost Study is vital.

In order to assure that the System Document accurately reflects the needs of counties, a small number of county staff will be needed to participate in the study itself, on either a part-time or a full-time basis, for a limited period. Direct county staff participation in this study is essential to provide expert knowledge of welfare program administration at the county level. A subsequent review of the draft SDD by a large number of counties will be arranged through three regional conferences. In addition, we are asking each county to complete a questionnaire designed primarily to identify types and availability of EDP hardware, so that the analysis of technical EDP alternatives will be based on a thorough understanding of the counties' present data processing situations. These steps will assure that the user requirements accurately reflect the realities of county administration.

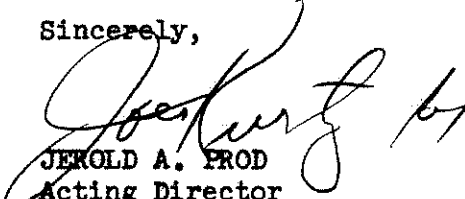
County assistance is also needed to complete the Cost Study. A survey is being developed to determine current costs for predominantly manual and automated county welfare operations. Counties will be requested to complete the survey questionnaire. The cost study team will be available by telephone or personal visits to assist the counties in the completion of the survey. The design and implementation of this study is being assisted by a small task group of several county fiscal staff. These several efforts will result in numerous contacts with various county staff.

To facilitate the Mod/Mod Project's diverse efforts for the next six months and to make our working relationship as convenient as possible for the counties, I recommend that each county designate a Model System Project coordinator. Project staff will contact you by July 25 to answer questions you may have about the project and to obtain the project Coordinator's name. I realize that this summary discussion provides only an overview of this comprehensive and long-range effort. The project staff would be pleased to answer your questions and to provide you or your staff with copies of project documentation, including the County Evaluation Final Report, the evaluation of other states' systems, and work plans. Bob Hotchkiss, who is Project Director, can be reached at (916) 322-2978.

Our joint effort over the past year has brought the State Department of Benefit Payments and the counties much closer together in terms of their activities and objectives for welfare EDP systems. The effort of the Model Modular County EDP Systems Task Force is a high point in productive state/county relationships. I am confident that we can maintain this mutual commitment to a most worthwhile project.

Thank you for your assistance.

Sincerely,



JEROLD A. PROD
Acting Director

cc: CWDA